

**STATEMENT OF
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FOREST SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE**

**Before the
Subcommittee on Forests and Public Lands Management
Committee on Energy and Natural Resources
United States Senate**

**Concerning S. 416
City of Sisters, Oregon Land Conveyance**

April 28, 1999

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE:

Thank you for the opportunity to be here today to present the Administration's views concerning S. 416, a bill to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility.

While the Administration supports making federal lands available in certain circumstances for public purposes, such as wastewater treatment facilities, the Administration opposes this bill as it is written. However, the Administration will work with you to amend this bill to allow the Townsite Act purchase process currently underway to proceed, allow for the deposit of the sale receipts under the Sisk Act authority, and provide an alternative method for accomplishing necessary watershed improvements on Squaw Creek.

We have three general concerns with S. 416. **First**, authority already exists to make land available to the city of Sisters under the Townsite Act. **Second**, the bill would direct the conveyance of National Forest lands to the city of Sisters without compensation to the United States for the fair market value of the lands conveyed. **Third**, we cannot support the provision in the bill requiring the sale of at least 6 acres of National Forest land to generate funds for improving the long-term condition of the watershed of Squaw Creek, a tributary of the Deschutes River, and for improvements to the Sisters Ranger District administrative site.

I would like to address each of these points in more detail.

First, statutory authority already exists for conveyance of land to the city of Sisters, Oregon.

Deschutes National Forest Supervisors have had periodic discussions with elected officials in Sisters for over 10 years regarding the potential for a land exchange or conveyance for the purposes of a wastewater treatment facility. In January, 1999, Sisters initiated the formal process for land acquisition by submitting an application for 240 acres under the authority of the Townsite Act. In a letter dated March 10, 1999, Regional Forester Robert Williams indicated that he would elevate the priority of this project in order to expedite the request. The Deschutes National Forest team currently plans to have the Environmental Assessment completed for public review in mid-May, with a decision by July. All deed transfer paperwork is being done on a concurrent track. This conveyance should be allowed to proceed administratively under the Townsite Act. If legislation is needed, then we would support an amendment to direct completion of the Townsite Act process.

Second, S. 416 would convey the property to Sisters at no cost, other than for preparation of documents required by environmental law in connection with the conveyance.

Current law requires payment of fair market value for any public lands exchanged or conveyed to ensure a fair return to the American taxpayers. The Administration believes the requirement for fair market value reflects sound principles of public policy. As

stated previously, we support completion of this sale under the Townsite Act which requires purchase at fair market value based on the appraised value of the land, and does not require new legislation, and an amendment to S.416 to allow for the deposit of the receipts from the sale into a special account established under Public Law 90-171 commonly known as the Sisk Act.

Our **third** concern with S. 416 is that it provides for the sale of at least 6 acres of National Forest land to generate funds for improving the long-term condition of the watershed of Squaw Creek, a tributary of the Deschutes River.

The Administration does not support the sale of National Forest System lands as an appropriate mechanism for funding needed watershed improvements on Squaw Creek. The Administration, through the Forest Service, would prefer to work with the city of Sisters and other interested parties to assist community leaders to prepare and develop a proposal for funding through programs such as NRCS' Environmental Quality Incentives Program or the Section 319 Clean Water Act Non-Point Source Management Program. For example, the Forest Service has completed a watershed analysis for this watershed, and has the necessary background information needed to proceed with this approach. Participation in this grant program does not require legislation, and we recommend amending this bill to remove the watershed improvement proposal.

Mr. Chairman, while the Administration supports the general objective of making Federal lands available for public purposes, such as wastewater treatment facilities, the Administration opposes S. 416 as written. However, the Administration remains open to discussions with the Subcommittee regarding an amendment that would provide for fair market return to the American public, allow for the deposit of the sale receipts under Sisk Act authority, remove the provision for the sale of land to generate funds for watershed improvements on Squaw Creek.

This concludes my statement. I would be happy to answer any questions you and Members of the Subcommittee might have.